

Charity number: 1159363

THE MILLS EQUUS TRUST
TRUSTEES' ANNUAL REPORT
AND
FINANCIAL STATEMENTS

For the year ended 30 April 2022

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THE MILLS EQUUS TRUST

TRUSTEES' ANNUAL REPORT

The Trustees present their Annual report and the accounts for the year ended 30 April 2022.

CONSTITUTION AND PRINCIPAL AIMS AND OBJECTIVES

The Mills Equus Trust is constituted and governed by the Will and Codicils of the late Winifred Doris Mary Mills who died on 20th November 2013. It is a registered charity, No. 1159363.

The address of the charity is Yew Tree Farm, Duntisborne Abbots, Cirencester, GL7 7JW

The objects of the charity, as set out in the Trust Deed, are as follows: -

- The relief of suffering and distress of horses, ponies, donkeys and mules which are in need of care and attention and in particular to provide for the establishment and maintenance of facilities for the care and protection of such old, retired, sick, ill-treated, unwanted or abandoned animals; ensuring that the land is not overstocked at any time and in accordance with the rules of good estate management.
- The promotion of knowledge of the proper care and treatment of horses, ponies and donkeys among the public.

TRUSTEES

The charity trustees during the year to 30 April 2022 were as follows:

A T K Smail
B E C Baxter
C E L Smail
S E McConnel

AGENTS AND ADVISERS

The main agents and advisers of the charity are as follows:

Auditors: Hazlewoods LLP
Windsor House
Bayshill Road
Cheltenham
GL50 3AT

MANAGEMENT AND GOVERNANCE ARRANGEMENTS

The trust deed provides for a minimum of 2 trustees. Where a requirement for new trustees exists, these would be identified and appointed by the remaining trustees.

RISK MANAGEMENT

The major risks, to which the Charity is exposed, as identified by the Trustees, have been reviewed and systems have been established to mitigate those risks.

THE MILLS EQUUS TRUST

TRUSTEES' ANNUAL REPORT (Continued)

INVESTMENT POWERS

In accordance with the Declaration of Trust, the Trustees have the absolute discretion to apply or invest money as they think fit.

PROCEDURES AND POLICY FOR GRANT MAKING

The Trustees have sole discretion in the selection of applicants and the size of the awards.

PUBLIC BENEFIT

The Trustees are aware of the public benefit provisions of the Charities Act 2006 and of the guidance on them published by the Charity Commission. They are satisfied that the objectives of the Charity and the activities of the Charity are within the definitions of charitable purposes as set down in the Act.

RESERVES POLICY

The trustees have decided that holding cash reserves is unnecessary, other than in the normal course of running the charity, as the resources expended can be varied according to the available resources of the trust. The charity's funds of £10,489,547 are mainly in relation to the value of property held.

REMUNERATION POLICY FOR KEY MANAGEMENT PERSONNEL

The trustees consider that the Board of Trustees comprise the Key Management Personnel of the Charity in charge of directing and controlling, running and operating the Charity on a day-to-day basis.

REGISTER OF TRUSTEES' INTERESTS

The secretary maintains a Register of Trustees' Interests; no material conflicts have been identified. The secretary maintains a separate register for the Key Management Personnel.

ACHIEVEMENTS AND PERFORMANCE

The Trustees believe that the objectives of the Charity have been fulfilled during the period and will continue to operate in this manor for the foreseeable future.

FINANCIAL REVIEW

The Charity's total income for the period was £327,423 (2021 - £230,703). Grants of £190,000 (2021 - £170,000) were made during the year.

THE MILLS EQUUS TRUST

TRUSTEES' ANNUAL REPORT (Continued)

ACCOUNTING AND REPORTING RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The Charities Act 2011 requires the Trustees of the Charity to prepare financial statements for each financial year which give a true and fair view of the Charity's financial activities during the year and of its financial position at the end of the year.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards and the Charities SORP, disclosing and explaining any departures in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Charity will continue in operation.

The Trustees are responsible for keeping accounting records which are such as to disclose, with reasonable accuracy, the financial position of the Charity at any time, and to enable them as trustees to ensure that that the financial statements comply with charity law. The Trustees are also responsible for safeguarding the Charity's assets, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

28/2/2023

Approved by the Trustees of The Mills Equus Trust on and signed on its behalf by:-



.....
A T K Smail
Trustee

THE MILLS EQUUS TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE MILLS EQUUS TRUST

We have audited the financial statements of The Mills Equus Trust for the year ended 30 April 2022 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 April 2022 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statement and our auditor's report thereon. The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

THE MILLS EQUUS TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE MILLS EQUUS TRUST (Continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the charity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the charity's audit. We remain solely responsible for our audit opinion.

THE MILLS EQUUS TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE MILLS EQUUS TRUST (Continued)

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISA's (UK).

In identifying and assessing risks of material mis-statement in respect of fraud, including irregularities and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of the legal and regulatory frameworks applicable to the company financial statements or that had a fundamental effect on the company's operations. We determined that the most significant laws and regulations included UK GAAP, UK Companies Act 2006 and taxation laws.
- We understood how the company is complying with those legal and regulatory frameworks by making inquiries of management, those responsible for legal and compliance procedures.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
 - Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
 - Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process. Detailed analysis of journals posted through the accounting system during the year to 30 April 2022 has been undertaken;
 - Understanding the controls in place to prevent and detect fraud. Reliance was not placed on controls for the entirety of the audit, instead taking a substantive testing approach, however controls were in place to prevent fraud, and they appeared to be working effectively;
 - Challenging assumptions and judgements made by management in its significant accounting estimates.

THE MILLS EQUUS TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE MILLS EQUUS TRUST (Continued)

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Martin Howard

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Martin Howard (Senior Statutory Auditor)
For and on behalf of Hazlewoods LLP, Statutory Auditor

Windsor House
Bayshill Road
Cheltenham
GL50 3AT

28/2/2023
Date:

Hazlewoods LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE MILLS EQUUS TRUST**STATEMENT OF FINANCIAL ACTIVITIES**
For the year ended 30 April 2022

	Notes	2022 £	2021 £
Income and endowments from:			
Donations and legacies	2	200,000	175,000
Investment income	3	127,423	55,703
		<hr/>	<hr/>
		327,423	230,703
Expenditure on:			
Charitable activities	4	(208,284)	(183,947)
		<hr/>	<hr/>
		(208,284)	(183,947)
		<hr/>	<hr/>
Net income		£ 119,139	£ 46,756
		<hr/> <hr/>	<hr/> <hr/>
Net income for the year and Net movement in funds		119,139	46,756
Reconciliation of funds:			
Total funds brought forward		10,370,408	10,323,652
		<hr/>	<hr/>
Total funds carried forward		£ 10,489,547	£ 10,370,408
		<hr/> <hr/>	<hr/> <hr/>

All activities are continuing and all funds are unrestricted.

THE MILLS EQUUS TRUST**BALANCE SHEET
As at 30 April 2022**

	Notes	2022 £	2021 £
NON-CURRENT ASSETS			
Fixed assets	6	11,500	23,100
Investment properties	7	10,074,491	10,074,491
Investments	8	224,038	224,038
		<hr/>	<hr/>
		10,310,079	10,321,629
CURRENT ASSETS			
Cash at bank and in hand		184,028	52,518
		<hr/>	<hr/>
CREDITORS – due within 1 year			
Creditors	9	(4,560)	(3,739)
		<hr/>	<hr/>
NET ASSETS		£ 10,489,547	£ 10,370,408
		<hr/> <hr/>	<hr/> <hr/>
FUNDS OF THE CHARITY	10	£ 10,489,547	£ 10,370,408
		<hr/> <hr/>	<hr/> <hr/>

We approve these accounts and confirm that we have made available all records and information for their preparation.



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A T K Smail
Trustee

28/2/2023
Date:

THE MILLS EQUUS TRUST

NOTES TO THE ACCOUNTS

for the year ended 30 April 2022

1 ACCOUNTING POLICIES

Basis of preparation and assessment of going concern

The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern. Charitable activities of the Trust are discretionary and can be reduced to ensure the continuing viability of the trust if necessary.

The Trustees consider that there are no significant areas of adjustment or key assumptions that affect items in the accounts. The most significant areas of uncertainty that affect the carrying value of assets held by the Trust are the level of investment return and the performance of investment markets (see 1.6 investment policy and the risk management sections of the Trustees' report for more information).

The presentational currency of the financial statements is Pounds Sterling, being the functional currency of the primary economic environment in which the Trust operates. Monetary amounts in these financial statements are rounded to the nearest pound.

The Trust constitutes a public benefit entity as defined by FRS 102.

Consolidated financial statements

These financial statements do not include the consolidated results of the Trust and its subsidiary company, Traeth Bychan Caravan Co. Limited, on the grounds that it is a small group.

Incoming resources

All income is recognised once the Trust has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Donations are recognised when the Trust has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the Trust is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Trust and it is probable that those conditions will be fulfilled in the reporting period.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Trust; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

THE MILLS EQUUS TRUST

NOTES TO THE ACCOUNTS

for the year ended 30 April 2022

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Trust to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

Grants payable

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Trust. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the Trust.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

Management and administration

Expenditure on charitable activities, comprising of grants and awards payable charged in the year when the conditions attaching are fulfilled. Grants and awards offered subject to conditions which have not been met at the year end are noted as a commitment but not accrued as expenditure.

Raising funds include all costs incurred in running the Trust, which cannot be directly allocated to the charity's projects or fundraising. As such, it includes secretarial expenses, accountancy fees and legal fees.

Trustee remuneration and expenses

No remuneration or reimbursement of expenses has been made or is due to be made to any of the Trustees in respect of the year.

Fixed assets

Tangible fixed assets are stated in the balance sheet at cost less depreciation. The cost of fixed assets includes directly attributable incremental costs incurred in their acquisition and installation. Depreciation is provided at rates calculated to write off the cost of the assets, less their estimated residual value, over their expected useful lives in the following bases:

Plant and equipment	25% Straight line
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Investment property

Investment properties are stated at freehold market value in the balance sheet at the reporting date. Gains or losses are taken to the Statement of Financial Activities. No depreciation is charged on investment properties.

Taxation

The Trust is a registered charity and is not liable to UK taxation on its income or gains.

THE MILLS EQUUS TRUST**NOTES TO THE ACCOUNTS**
for the year ended 30 April 2022**2 Donations and legacies**

	2022 £	2021 £
Donations received	200,000	175,000
	<hr/>	<hr/>
	£ 200,000	£ 175,000
	<hr/> <hr/>	<hr/> <hr/>

3 Investment income

	2022 £	2021 £
Rental income	57,423	55,703
Profit on sale of chalet	70,000	-
	<hr/>	<hr/>
	£ 127,423	£ 55,703
	<hr/> <hr/>	<hr/> <hr/>

4 Charitable activities expenditure

	2022	2021
Grants provided	190,000	170,000
Governance and support	18,284	13,947
	<hr/>	<hr/>
	£ 208,284	£ 183,947
	<hr/> <hr/>	<hr/> <hr/>

THE MILLS EQUUS TRUST**NOTES TO THE ACCOUNTS**

for the year ended 30 April 2022

5 Analysis of governance and support costs

	Grant funded activity £	Total 2022 £	Total 2021 £
Accountancy	2,160	2,160	2,160
Auditor's fees for audit services	2,400	2,400	-
Insurance	188	188	237
Legal & professional fees	1,986	1,986	-
Depreciation	11,550	11,550	11,550
	<hr/>	<hr/>	<hr/>
	18,284	18,284	13,947
	<hr/>	<hr/>	<hr/>

6 Fixed assets

	Plant & equipment £
Cost and carrying amount	
At 1 May 2021	23,100
Additions	-
Disposals	-
Depreciation	(11,550)
	<hr/>
At 30 April 2022	11,500
	<hr/>

7 Investment properties

	Freehold investment properties £
Valuation	
At 1 May 2021	10,074,491
Additions	40,000
Disposals	(40,000)
	<hr/>
At 30 April 2022	10,074,491
	<hr/>

THE MILLS EQUUS TRUST**NOTES TO THE ACCOUNTS**

for the year ended 30 April 2022

8 Investments

	£
Cost and carrying amount	
At 1 May 2021	224,038
Additions	-
Disposals	-
	<hr/>
At 30 April 2022	224,038
	<hr/> <hr/>

9 Creditors

	2022 £	2021 £
Other creditors	-	1,579
Accruals	4,560	2,160
	<hr/>	<hr/>
	4,560	£ 3,739
	<hr/> <hr/>	<hr/> <hr/>

10 Funds

Unrestricted funds comprise those funds which the Trustees are free to use in accordance with the charitable objects.

11 Related parties

During the year, the charity received donations of £200,000 (2021 - £175,000) from Traeth Bychan Caravan Co. Limited, a company which is a wholly owned subsidiary of the charity. During the current and prior year the company occupied land owned by The Mills Equus Trust rent free. At the balance sheet date, the Trust owed the company £Nil (2021 - £1,579).